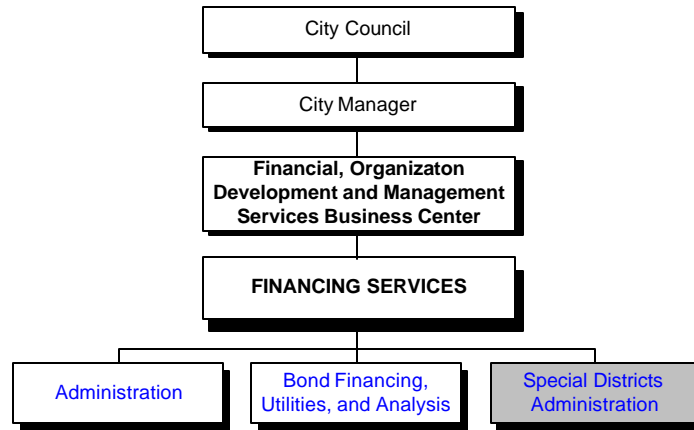


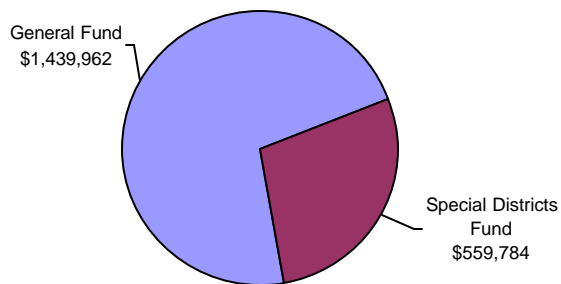
mission statement

To provide the City with the most cost effective and fiscally responsible process for managing long-term debt, financial issues and special districts.

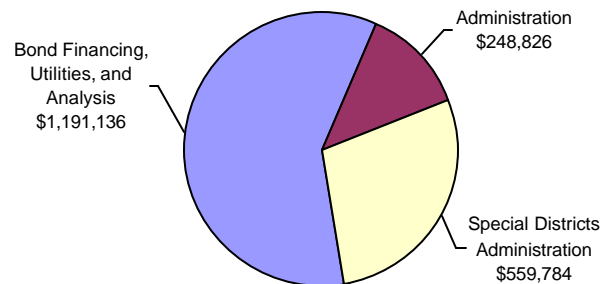
web address: <http://www.ci.san-diego.ca.us/>



source of funding



allocation of funding



Financing Services

financing services department summary			
	FY 1999 ACTUAL	FY 2000 BUDGET	FY 2001 PROPOSED
Positions	23.10	23.20	23.20
Personnel Expense	\$ 1,333,943	\$ 1,601,331	\$ 1,722,396
Non-Personnel Expense	353,691	277,937	277,350
TOTAL	\$ 1,687,634	\$ 1,879,268	\$ 1,999,746

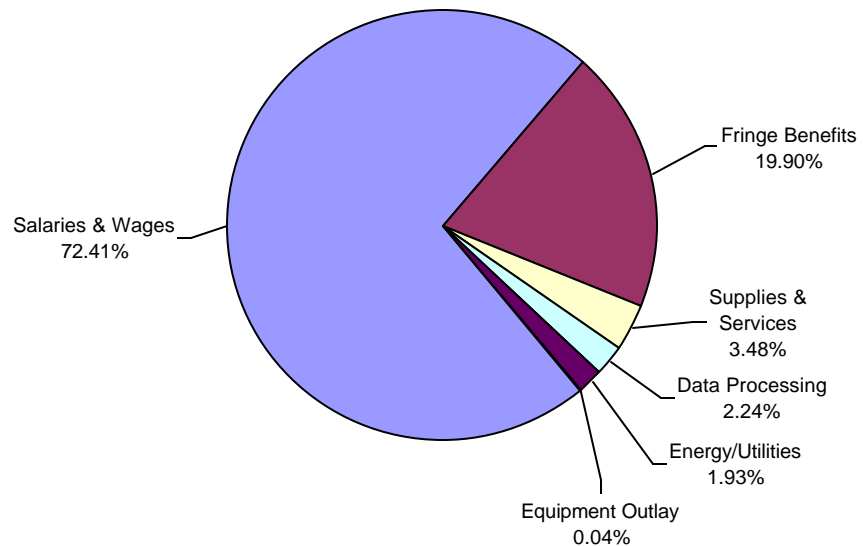
In Fiscal Year 2000 Financing Services assisted with the issuance of over \$11 million in parking revenue bonds for the Centre City Development Corporation. The bond proceeds will be used to construct a public parking garage at Sixth Avenue and Market Street in downtown San Diego. The seven-story structure will provide 500 spaces of much needed parking for the busy Gaslamp Quarter and is expected to open by December of 2000.

	FY 1999 ACTUAL	FY 2000 BUDGET	FY 2001 PROPOSED
department staffing			
GENERAL FUND			
Administration	0.86	2.24	2.59
Bond Financing, Utilities, and Analysis	15.00	14.85	14.50
TOTAL	15.86	17.09	17.09
SPECIAL DISTRICTS FUND			
Total Special Districts Administration	7.24	6.11	6.11
department expenditures			
GENERAL FUND			
Administration	\$ 188,267	\$ 202,094	\$ 248,826
Bond Financing, Utilities, and Analysis	872,798	1,146,919	1,191,136
TOTAL	\$ 1,061,065	\$ 1,349,013	\$ 1,439,962
SPECIAL DISTRICTS FUND			
Total Special Districts Administration	\$ 626,569	\$ 530,255	\$ 559,784

expenditures by category

	FY 1999 ACTUAL	FY 2000 BUDGET	FY 2001 PROPOSED
PERSONNEL			
Salaries & Wages	\$ 738,862	\$ 969,272	\$ 1,042,704
Fringe Benefits	198,730	269,008	286,612
SUBTOTAL PERSONNEL	\$ 937,592	\$ 1,238,280	\$ 1,329,316
NON-PERSONNEL			
Supplies & Services	\$ 51,893	\$ 50,702	\$ 49,894
Data Processing	49,277	31,769	32,490
Energy/Utilities	21,871	27,762	27,762
Equipment Outlay	432	500	500
SUBTOTAL NON-PERSONNEL	\$ 123,473	\$ 110,733	\$ 110,646
TOTAL	\$ 1,061,065	\$ 1,349,013	\$ 1,439,962

FY 2001



Financing Services

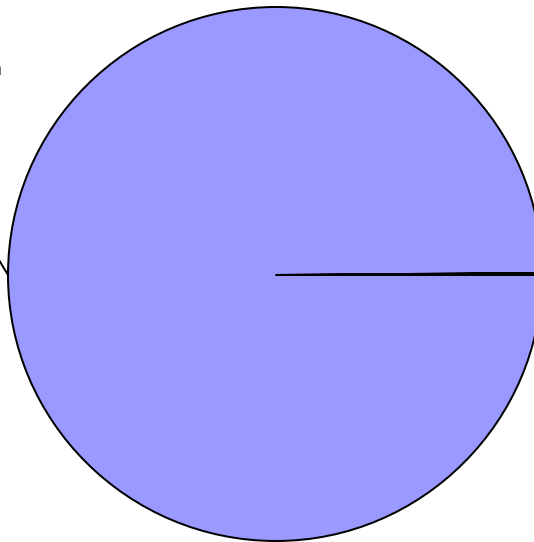
General Fund - 100

revenue generated by category

	FY 1999 ACTUAL	FY 2000 BUDGET	FY 2001 PROPOSED
Transfers from Other Funds	\$ 724,827	\$ 689,805	\$ 689,805
TOTAL	\$ 724,827	\$ 689,805	\$ 689,805

In Fiscal Year 2000 Financing Services coordinated the granting of a 25-year franchise to Wes Pac Pipelines, Ltd. for construction and operation of a jet fuel pipeline for the San Diego International Airport. Citizens and the environment will benefit from the elimination of some 650 jet fuel tanker-truck trips over City streets and freeways each week which are currently necessary to supply fuel to the airport.

Transfers from
Other Funds
100.00%



In Fiscal Year 2000 Financing Services assisted with the issuance of over \$5 million in tax allocation bonds for the Southeastern Development Corporation ("SEDC"). The bond proceeds will enhance SEDC's ability to promote redevelopment and business development in the Central Imperial and Southcrest project areas. Specifically, the bond proceeds will fund construction of necessary public improvements, the acquisition of sites for affordable housing and the development of a 240,000 square foot retail shopping center anchored by a Home Depot.

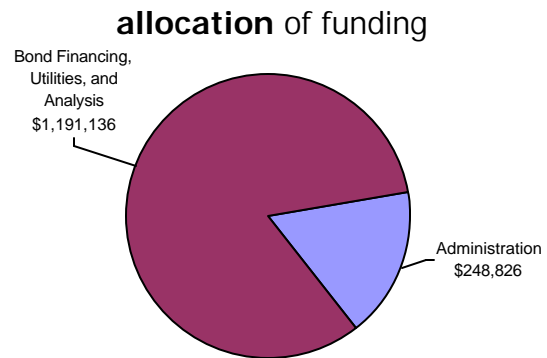
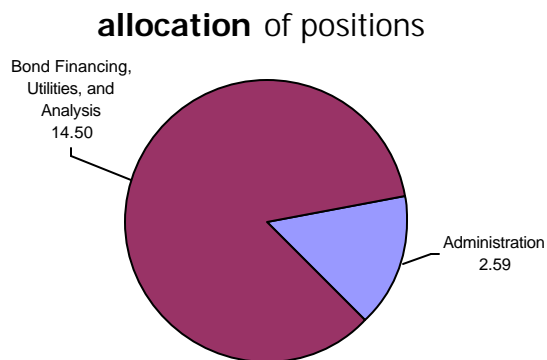
significant budget adjustments

	POSITIONS	COST
Personnel expense adjustments ⁽¹⁾	0.00	\$91,000
Automated support for department and Citywide information systems	0.00	\$1,000
Supplies and services	0.00	(\$1,000)

⁽¹⁾ Adjustments to reflect the annualization of the Fiscal Year 2000 salary increases, Fiscal Year 2001 negotiated salary increases, average salaries and fringe benefits.

Financing Services

division allocation



performance measures

bond financing, utilities and analysis

Bond Financing

To comprehensively manage all City bond issuances so that the City annually: maintains an investment grade rating on long-term debt, fulfills 100% of the continuing disclosure requirements for all applicable City bond issuances and insures that the City makes 100% of the debt service payments on its outstanding bonds.

	FY 1998 Actual	FY 1999 Actual	FY 2000 Budget	FY 2001 Proposed
Input				
	\$481,361	\$448,997	\$331,909	\$397,612
Output				
# of existing and new bond financings	28	29	28	29
Internal Outcome				
% of new City bond issuances priced within 100 basis points (equivalent to 1%) of the interest rate achieved by the average of other comparable municipal credits priced in the same time frame	100%	100%	100%	100%
External Outcome				
% of the City's long-term debt that satisfies debt service and continuing disclosure requirements thereby supporting the City's investment grade rating	100%	100%	100%	100%
Efficiency				
Average cost per existing and new bond financing	\$17,191	\$15,483	\$11,854	\$13,711

performance measures

bond financing, utilities and analysis

Internal Financial Consultation

To provide in-house financial consultation, research and analysis at the request of the City Council, the City Manager and City departments at less than 50% of the cost of professional financial advisors as measured by the hourly average fees specified by firms included on the City's as-needed list for financial advisors.

	FY 1998 Actual	FY 1999 Actual	FY 2000 Budget	FY 2001 Proposed
Input				
	\$221,853	\$251,942	\$344,544	\$350,616
Output				
# of consultations	156	262	200	230
Internal Outcome				
% of in-house consultations completed within the specified time frame	95%	95%	95%	95%
External Outcome				
% of savings achieved by utilizing in-house financial consultations rather than private sector financial consultants	73%	84%	50%	50%
Efficiency				
Average cost per internal financial consultation	\$1,422	\$962	\$1,723	\$1,524

bond financing, utilities and analysis

Utility Rate Setting and Related Financial Analysis

To analyze and prepare at least two comprehensive financial plans for the Water and Sewer Enterprise Funds that meet all requirements of current and anticipated financings within the context of applicable state and federal laws and produce at least two restructured energy market place assessments annually.

	FY 1998 Actual	FY 1999 Actual	FY 2000 Budget	FY 2001 Proposed
Input				
	\$347,203	\$285,718	\$470,466	\$442,908
Output				
# of water/sewer plans and assessments for the restructured energy market	4	4	4	4
Internal Outcome				
# of Water/Sewer Policy Committee and Utilities Restructuring Working Group meetings held annually	26	26	26	26
External Outcome				
% of comprehensive financial plans that meet federal and state requirements	100%	100%	100%	100%
Efficiency				
Average cost per water/sewer plan and assessment	\$86,801	\$71,430	\$117,617 ⁽¹⁾	\$110,727

⁽¹⁾ The increase in average cost per financial plan or market -place assessment completed is a result of an increase in complexity of the analysis required, leading to the application of higher-level staff resources and additional non-personnel support.

Financing Services

description and salary schedule

administration

The primary purpose of this program is to insure consistent, effective and economical achievement of division objectives and the business center mission.

CLASS NUMBER	POSITION TITLE	POSITION YEARS		SALARIES AND WAGES	
		FY 2000	FY 2001	CLASS	TOTAL
1218	Associate Management Analyst	1.00	1.00	\$ 54,267	\$ 54,267
1876	Executive Secretary	0.07	0.07	43,586	3,051
1917	Supervising Management Analyst	0.15	0.00	-	-
1923	Supervising Economist	0.00	0.50	65,102	32,551
2153	Deputy City Manager	0.07	0.07	135,386	9,477
2214	Deputy Director	0.95	0.95	93,126	88,469
	TOTAL	2.24	2.59		\$ 187,815

bond financing, utilities and analysis

This program evaluates the economic and fiscal implications of issues confronting the City and provides the City with a cost-effective process for management of long-term debt. The program functions as an in-house consultation resource responding to requests from the City Council, the City Manager and other City departments for a variety of analyses including cost benefit and fiscal impact analyses. The program develops prudent and equitable financial plans for the Water and Metropolitan Wastewater Departments, determines the optimal mix of revenues necessary to fund infrastructure requirements while insuring compliance with federal, state and local legal mandates, and formulates strategic plans addressing the restructured utilities marketplace.

CLASS NUMBER	POSITION TITLE	POSITION YEARS		SALARIES AND WAGES	
		FY 2000	FY 2001	CLASS	TOTAL
1106	Senior Management Analyst	3.00	3.00	\$ 61,068	\$ 183,203
1222	Associate Economist	3.00	3.00	53,812	161,435
1243	Info Systems Administrator	1.00	1.00	72,810	72,810
1424	Economist	2.00	2.00	59,828	119,655
1535	Clerical Assistant II	2.00	2.00	29,696	59,392
1917	Supervising Management Analyst	0.85	1.00	66,322	66,322
1923	Supervising Economist	3.00	2.50	65,102	162,754
	Temporary Help				24,881
	Overtime Budgeted				4,437
	TOTAL	14.85	14.50		\$ 854,889

five-year revenue and expenditure forecast

	FY 2001 PROPOSED	FY 2002 FORECAST	FY 2003 FORECAST	FY 2004 FORECAST	FY 2005 FORECAST
Positions	17.09	17.09	17.09	17.09	17.09
Personnel Expense	\$ 1,329,316	\$ 1,369,195	\$ 1,410,271	\$ 1,452,579	\$ 1,496,157
Non-Personnel Expense	110,646	113,965	117,384	120,906	124,533
TOTAL EXPENDITURES	\$ 1,439,962	\$ 1,483,160	\$ 1,527,655	\$ 1,573,485	\$ 1,620,690
TOTAL REVENUE	\$ 689,805	\$ 710,499	\$ 731,814	\$ 753,769	\$ 776,382

A 3% inflation rate has been applied to the Fiscal Year 2002 – Fiscal Year 2005 expenses and revenue.

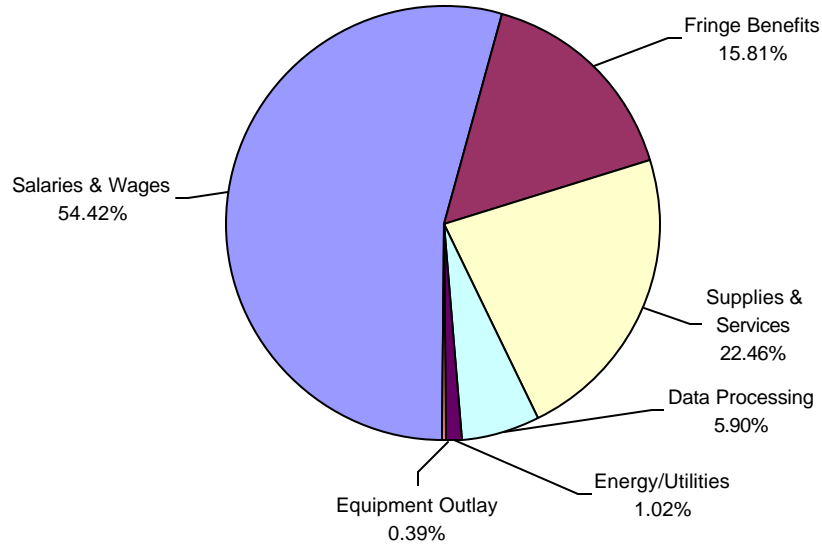
Fiscal Year 2002 – Fiscal Year 2005

No major projected requirements.

expenditures by category

	FY 1999 ACTUAL	FY 2000 BUDGET	FY 2001 PROPOSED
PERSONNEL			
Salaries & Wages	\$ 310,657	\$ 280,262	\$ 304,635
Fringe Benefits	85,694	82,789	88,445
SUBTOTAL PERSONNEL	\$ 396,351	\$ 363,051	\$ 393,080
NON-PERSONNEL			
Supplies & Services	\$ 120,196	\$ 127,263	\$ 125,727
Data Processing	99,287	33,044	33,044
Energy/Utilities	10,562	4,695	5,731
Equipment Outlay	173	2,202	2,202
SUBTOTAL NON-PERSONNEL	\$ 230,218	\$ 167,204	\$ 166,704
TOTAL	\$ 626,569	\$ 530,255	\$ 559,784

FY 2001



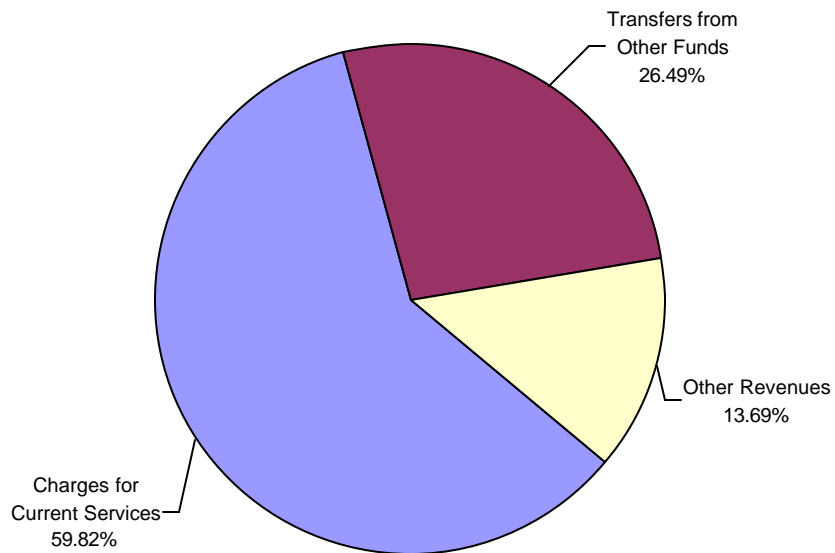
Financing Services

Special Districts Fund - 70207

revenue generated by category

	FY 1999 ACTUAL	FY 2000 BUDGET	FY 2001 PROPOSED
Charges for Current Services	\$ 275,803	\$ 338,659	\$ 338,659
Other Revenues	9,633	77,537	77,537
Transfers from Other Funds	372,133	109,915	150,000
TOTAL	\$ 657,569	\$ 526,111	\$ 566,196

In Fiscal Year 2000 property owners in seven assessment districts realized assessment savings of approximately \$450,000 as a consequence of lower debt service requirements resulting from a consolidated refunding of outstanding assessment bonds facilitated by Financing Services.



significant budget adjustments

	POSITIONS	COST
Personnel expense adjustments ⁽¹⁾	0.00	\$30,000
Utility rate and usage adjustments	0.00	\$1,000
Support for Citywide information and communication technologies	0.00	\$1,000
Automated support for department and Citywide information systems	0.00	(\$2,000)

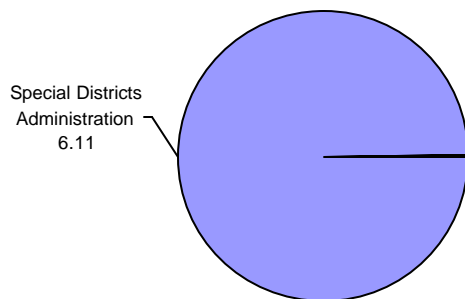
⁽¹⁾ Adjustments to reflect the annualization of the Fiscal Year 2000 salary increases, Fiscal Year 2001 negotiated salary increases, average salaries and fringe benefits.

Financing Services

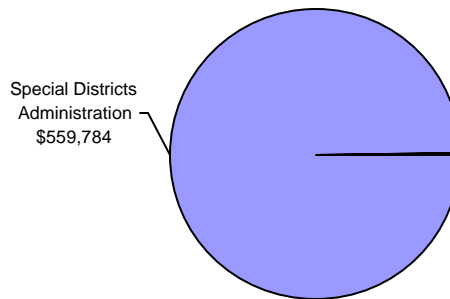
Special Districts

division allocation

allocation of positions



allocation of funding



performance measures

special districts administration

1915 Act District/Community Facilities Districts

To enroll 99% of the total assessments levied for all 1915 Act Districts and Community Facilities Districts within San Diego County annually by August 10th, while conforming with the applicable provisions of the California Constitution and promptly initiate the process for all cost effective foreclosure proceedings in accordance with the applicable provisions of the bond indenture.

	FY 1998 Actual	FY 1999 Actual	FY 2000 Budget	FY 2001 Proposed
Input				
	\$192,132	\$244,681	\$331,209	\$347,420
Output				
# of parcels enrolled annually	7,116	7,601	7,588	5,933
Internal Outcome				
% of annual assessments enrolled annually that are automatically invoiced	99%	99%	99%	99%
External Outcome				
% of special districts in compliance with all applicable legal guidelines	100%	100%	100%	100%
Efficiency				
Average cost per parcel enrolled	\$27	\$32 ⁽¹⁾	\$44 ⁽²⁾	\$59 ⁽³⁾

⁽¹⁾ Despite an increase in the number of parcels enrolled in Fiscal Year 1999, the average cost per parcel enrolled increased slightly due to a staffing reallocation for 1915 Act Districts and Community Facilities Districts responsibilities.

⁽²⁾ In Fiscal Year 2000 the cost per parcel increased due to additional reporting requirements and administrative oversight associated with a refinancing of existing bonds, which had the effect of reducing overall property owner payments.

⁽³⁾ In Fiscal Year 2001 the cost per parcel is expected to increase due to a decrease in the number of parcels enrolled associated with the final maturity of a 1915 Act District bond.

performance measures

special districts administration

1911 Act District Administration

To semi-annually bill the 1911 Act assessments at least 15 days before each respective 15th day of April and October and to make timely interest and principal payments to the 1911 Act bondholders from paid assessments, as required in the California Streets and Highways Code, 100% of the time.

	FY 1998 Actual	FY 1999 Actual	FY 2000 Budget	FY 2001 Proposed
Input				
	\$109,728	\$59,843	\$84,499	\$84,214
Output				
# of parcels serviced	288	213	176	128 ⁽¹⁾
Internal Outcome				
% of payments remitted to 1911 Act bondholders in a timely manner	100%	100%	100%	100%
External Outcome				
% of special districts in compliance with applicable legal guidelines	100%	100%	100%	100%
Efficiency				
Average cost per parcel serviced	\$381	\$281	\$480	\$658

⁽¹⁾ In Fiscal Year 2001 the number of parcels serviced is expected to decrease due to the scheduled maturity of 1911 Act bonds.

Financing Services

Special Districts

performance measures

special districts administration

Special Districts Formation

To comprehensively manage all special district formation procedures and related bond issuances insuring that the City: (1) adheres to statutory formation procedures 100% of the time; (2) annually transmits debt service payments as required from available assessment and special tax collections 100% of the time; and (3) annually fulfills 100% of the continuing disclosure requirements for all applicable special district bond issuances.

	FY 1998 Actual	FY 1999 Actual	FY 2000 Budget	FY 2001 Proposed
Input				
	N/A	N/A	\$114,547	\$128,150
Output				
# of outstanding special district bond issuances and initiated special district proceedings	N/A	N/A	10	10
Internal Outcome				
% of new City bond issuances priced within 100 basis points (equivalent to 1%) of the average interest rate achieved by other comparable municipal credits priced in the same time frame	N/A	N/A	100%	100%
External Outcome				
% of outstanding or proposed special districts adhering to all statutory and bond indenture requirements thereby supporting the continued viability of special district financing	N/A	N/A	100%	100%
Efficiency				
Average cost of existing and new bond financing	N/A	N/A	\$11,455	\$12,815

description and salary schedule

special districts administration

This program provides the City with a cost-effective and fiscally responsible process for managing the 1911 Act, the 1915 Act and the Community Facilities Districts. Responsibilities include comprehensively managing all special district formation procedures and related bond issuances; calculating and enrolling assessments for special districts; annually reconciling the County Assessor's property tax rolls with special districts rolls; collecting delinquent accounts; and assisting communities in the formation of new assessment districts while adhering to all legal and City policy guidelines.

CLASS NUMBER	POSITION TITLE	POSITION YEARS		SALARIES AND WAGES	
		FY 2000	FY 2001	CLASS	TOTAL
1104	Account Clerk	1.00	0.00	\$ -	\$ -
1106	Senior Management Analyst	1.00	1.00	61,068	61,068
1107	Administrative Aide II	2.00	2.00	42,493	84,985
1535	Clerical Assistant II	1.00	0.00	-	-
1746	Word Processing Operator	0.00	1.00	31,157	31,157
1844	Senior Account Clerk	0.00	1.00	36,551	36,551
1876	Executive Secretary	0.03	0.03	43,585	1,308
2153	Deputy City Manager	0.03	0.03	135,386	4,062
2214	Deputy Director	0.05	0.05	93,126	4,656
2270	Program Manager	1.00	1.00	80,848	80,848
	TOTAL	6.11	6.11	\$	304,635

Financing Services

Special Districts Fund - 70207

five-year revenue and expenditure forecast

	FY 2001 PROPOSED	FY 2002 FORECAST	FY 2003 FORECAST	FY 2004 FORECAST	FY 2005 FORECAST
Positions	6.11	6.11	6.11	6.11	6.11
Personnel Expense	\$ 393,080	\$ 404,872	\$ 417,019	\$ 429,529	\$ 442,415
Non-Personnel Expense	166,704	171,705	176,856	182,162	187,627
TOTAL EXPENDITURES	\$ 559,784	\$ 576,577	\$ 593,875	\$ 611,691	\$ 630,042
TOTAL REVENUE	\$ 566,196	\$ 583,182	\$ 600,677	\$ 618,698	\$ 637,259

A 3% inflation rate has been applied to the Fiscal Year 2002 – Fiscal Year 2005 expenses and revenue.

Fiscal Year 2002 – Fiscal Year 2005

No major projected requirements.